



State of Wisconsin
Department of Health Services

Scott Walker, Governor
Dennis G. Smith, Secretary

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DEPARTMENT PURSUES VENDOR FRAUD ENFORCEMENT AUTHORITY FOR PUBLIC ASSISTANCE PROGRAMS

MADISON -- Secretary Dennis G. Smith and Inspector General Alan White today called on the federal government to allow Wisconsin to take the lead in pursuing Supplemental Nutrition Assistance Program (SNAP) vendor fraud cases, in a letter to Tim English, SNAP regional administrator.

SNAP provides food assistance funding to states, which administer the application and benefit distribution process locally. In Wisconsin, the program is called FoodShare (formerly Food Stamps). States can pursue individuals enrolled in FoodShare who commit fraud, but only the federal government can investigate and prosecute vendors in the state who defraud the SNAP system. Wisconsin already conducts vendor fraud investigations for the Women, Infants and Children (WIC) supplemental food program and Medicaid.

“The current system that requires the federal government to pursue vendor fraud while states are only allowed to pursue member fraud is disjointed, inefficient and ineffective,” said Smith. “State officials who administer the SNAP program should have the tools and authority to pursue vendors who are defrauding the program. This would ensure that taxpayer dollars are used efficiently and appropriately while protecting FoodShare members at risk of being victimized by unscrupulous vendors.”

The Department of Health Services (DHS) manages many of the state’s largest public assistance programs, including Medicaid, FoodShare and WIC. A new Office of the Inspector General (OIG) within DHS was created last October by Governor Walker to consolidate and improve program integrity and fraud prevention efforts. The 2011-12 biennial budget includes funding to support this work.

“The OIG has identified areas where we must improve collaboration between state and federal agencies so that we can ensure program integrity,” White said. “We are asking the federal government to act as a true partner with Wisconsin by allowing us to pursue a comprehensive effort that would most effectively protect taxpayers as well as individuals who need the FoodShare program.”

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